



March 29, 2004

Mr. Thomas P. Brantley P.E.
Director of Facilities Mgmt. and Construction
Leon County Government
Department of Mgmt. Services
301 S. Monroe Street
Tallahassee, FL 32301

Dear Mr. Brantley:

This is the summary of the latest schedule for completion of the Investment Grade Energy Audit Contract dated Dec. 13, 2003.

- Ongoing and Current date until April 27, 2004 - Review with Tom Brantley and staff non-cascaded ECMs for review and further ECM selection.
- May 28, 2004 - Submit a draft copy of the audit and Preliminary Pricing to Leon County Staff for review.
- June 14, 2004 - Publication of the Audit.
- May 28, 2004 until June 29, 2004 - Review and modifications of the Audit, and refinement of the terms and conditions of the Energy Services Agreement.
- June 30, 2004 - A summary of the audit and recommendations for implementation is published in a board member package.
- July 13, 2004 - Workshop of the Leon County Board of Commissioners.
- July 27, 2004 - Approval from the Leon County Board of Commissioners for an Energy Service Agreement that allows PES to implement an energy savings performance contract.

Tom, as you can see by completing these milestones, we should be in a position to have the contract approved at a meeting on July 27, 2004. The support of your legal team would be a key factor in completing the Energy Services Agreement. We will be in a position to interface with that group around the June 14, 2004 timeframe. At that time we will have enough data to complete all of the schedules as well as an estimate of the savings and construction costs.

You may call me with any questions at 919-235-4346.

Regards,

John Hobbes
Director Commercial and Institutional Segments
Progress Energy Solutions Inc.

JH/cep

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